
Annex D: Installations

Introduction/Overview

Army installations must support the people, equipment, training and doctrine of the Army. They must be operationally capable of supporting the development and training of the Interim and Objective Forces, and recapitalization of the Legacy Force. New and more efficient management techniques, facilities modernization and services/construction in support of Army Transformation are necessary. Installations are strategic assets: power projection platforms serving to enhance deployment of the force and support deployed formations. Reach-back links using strategic communications, by relying on enhanced command and control capabilities, facilitate mission accomplishment of a modernized force and must be supported by Army installations. Installations with operational forces will be optimized to support a rapid transition from garrison operations to force deployment. Installations must reshape and modernize to keep pace with changes in force structure, training, doctrine, technology and the security impacts of the changing world environment. Installations must support families so our Soldiers can deploy knowing that their family members' well-being is assured.

Transformation and modernization will change the face of our installations and communities. Transformed units will be significantly different from the combat, combat support and combat service support units of today. Changes in these units will impact facility requirements including housing, training facilities and

training areas, maintenance and logistical support facilities to support modernized and recapitalized Army equipment, and facilities supporting the well-being of Soldiers and their families. In the recent past we have already seen some changes. Barracks went from multiple Soldier rooms with gang-type latrines to the current 1+1 Department of Defense (DoD) standard. Family housing evolved from small, stand alone, utilitarian units to larger, community-based units built and managed by private contractors. Training areas and ranges are evolving from stand alone, single use, ranges to complexes that support individual and unit level collective training simultaneously in live and virtual environments. While the specific future aspects and requirements of many changes are still being defined, the Army will continue to develop new programs for our installations as these emerging concepts are finalized.

What follows are Army installation initiatives that support Army Transformation and modernization. These initiatives seek to support modernization of the Army by ensuring readiness at our Installations.

People

The Army is first and foremost people. Soldiers, their families, and civilian employees are the Army. The installation initiatives that directly support our people include the Residential Community Initiative and the Barracks Modernization Program. These programs facilitate readiness by ensuring the continued well-

being of the Soldier, his family, and our civilian employees.

Barracks Modernization Program

This initiative is targeted directly at improving readiness and retention through the improvement of our single Soldiers' quality of life. The standard for new barracks is the Department of Defense 1+1 construction standard. Korea, the only exception, has a waiver to construct to a modified 2+2 standard. Under the 1+1 standard two Soldiers are assigned to a module containing two living/sleeping rooms with a shared common bath and kitchen-type service area. Non-commissioned officers (NCOs) are entitled to an entire module. Unlike other Services, the Army's approach to barracks modernization is to build brigade or equivalent size complexes. Brigade complexes include barracks, Soldier community buildings, company operations facilities, battalion and brigade headquarters and dining facilities. The Army is committed to completing the program by 2008.

The program represents a significant long-term commitment to improve living conditions of single Soldiers. The Army will invest a total of \$9.5 billion over the entire program and \$5.7 billion (including host nation support) between FY02 and FY08. Military Construction Army (MCA) provides the majority of funds, augmented by OMA (Barracks Upgrade Program (BUP)) and supplemented by Congressionally added Quality of Life Enhancement, Defense (QOLE,D) funds. By the end of FY01, the Army has funded approximately 70% of permanent party

barracks to the 1+1 standard or equivalent.

The Army is committed to improving housing for single Soldiers and to completing its permanent party barracks modernization program by FY08. The current program buys out all barracks worldwide by FY08. Based on necessary changes for Army Transformation, the arms rooms and company operations facilities designs will be modified to accommodate requirements for additional space and Soldier population in each brigade complex.

Residential Community Initiative (RCI)

The Residential Communities Initiative (RCI) is the Army's innovative program that improves military family housing while demonstrating our commitment to families. This initiative emphasizes a critical Army goal to enhance the quality of life for Soldiers and their families by creating and sustaining attractive, affordable residential communities on Army installations. RCI supports the readiness of Soldiers by ensuring his family is properly housed and cared for. Under RCI, the Army establishes long-term business relationships with world-class private developers to design, maintain, renovate, construct, and operate all family housing on selected posts. The partners will arrange for project financing from private investors, hire and manage the contractors, and provide ongoing services such as maintenance and repair. RCI is designed to meet the needs and lifestyles of today's Army families ranging from townhouses to detached single homes. The housing communities will have a distinct

architectural theme according to installation location and modern interior layouts. Communities will include varied amenities such as parks, running trails, green areas, playgrounds, swimming pools, and more.

The Army has implemented the RCI program at four installations: Fort Carson, CO; Fort Hood, TX.; Fort Lewis, WA.; and Fort Meade, MD. More than 13,000 existing family houses will be renovated or replaced at these locations, in addition to building new houses to help meet each installation's deficit.

The Army plans to execute 20 additional RCI privatization projects by FY04. These projects bring the total program to over 61,000 sets of quarters in the United States. The Army is committed to developing quality homes and residential communities to support our Soldiers and their families. Additional information on the Army's Residential Communities Initiative may be found on the RCI website at <http://www.rci.army.mil>.

Units/Installation

Installations support the units that execute the Army's responsibilities for our National Defense. Readiness at the unit and installation level is critical to success. The Army Facility Strategy, Utilities Systems Privatization, The Facilities Reduction Program, Enhanced Use Leasing, and Morale, Welfare, and Recreation Public Private Ventures directly support unit and installation readiness. These initiatives seek to improve facilities used by Soldiers and units. They increase the installations efficiency in their core competencies, and save specific installations money in

operating and maintenance costs. Each of these initiatives seeks to improve the installations ability to support unit and Army readiness.

Army Facility Strategy (AFS)

The Army Facility Strategy (AFS) is a program to bring the Army to an overall C-2 Facility condition by modernizing selected facilities to C-1 within a 20-year plan beginning in FY04. This initiative is directed at unit and installation readiness to ensure installations have the facilities they need and that the funding for sustainment of both new and existing facilities is included. The selected facilities for improvement within the program are based on the facility condition as evaluated against standards in the Installation Status Report (ISR). Building upon the success of the Barracks and Strategic Mobility buy-out programs, the AFS requires continuing the level of restoration and modernization funding to tackle the most critical facilities issues of the Army. Key to the success of the AFS is full funding of the minimum annual sustainment of real property to halt further deterioration and properly maintain the facilities we are restoring and modernizing. Initial facility types include in AFS are Vehicle Maintenance Facilities (and supporting hardstand requirements), classrooms, fitness centers, chapels, trainee barracks, Reserve Centers and National Guard Readiness Centers.

During the FY03-07 Plan, significant gains were made in funding sustainment. Sustainment is now at approximately 95% of our requirements across this planning period. The AFS still seeks 100% sustainment funding by FY05. Also during

the FY03-07 planning process, approximately 49% of the requested AFS restoration and modernization requirement was funded. AFS site visits have been conducted at seven sites world-wide.

In the future the Army will continue to seek full funding of the AFS restoration and modernization requirement during the FY04-09 planning period.

Utility Systems Privatization (USP)

Privatization is the transfer of ownership, operation and maintenance, and improvement of Army utility plants and systems to companies in the private sector. Privatization is a better way of doing business and an opportunity for the Army to divest itself of non-core functions. Privatization will result in reliable, safe, efficient, and environmentally compliant utility services for our installations. This initiative provides installation commanders an opportunity to directly focus on mission and mission support core-functions.

By the end of FY01, the Army privatized 21 systems and exempted 28 because privatization was not economical. The goal is to privatize all electric, natural gas, water, and wastewater systems by 30 September 2003 unless privatization is not economical or the systems must be retained for security reasons. The Army has 320 utilities systems in the United States that will be privatized. The remaining 271 systems are being evaluated or are in the procurement process.

Facilities Reduction Program (FRP)

Facilities reduction saves sustainment dollars that installations can use more efficiently for other, more critical, facilities. Defense Reform Initiative Directive (DRID) #36 – “Disposal/Demolition of Excess Structures” requires the Army to eliminate 53.2 million square feet (MSF) of unneeded facilities by FY03. Success of the Facility Reduction Program (FRP) is critical to continued readiness.

During FY02 and FY03 the Army must dispose of an additional 13 MSF. MACOM allocation of FY02-03 FRP dollars is based on MACOM performance and the relative amount of excess in each MACOM. Our ultimate goal is to reduce excess in each MACOM to 15% or less. The facility reduction program is centralized in FY02/03.

Victory will be declared after FY03. Future requirements for FY04 and beyond are limited to demolition associated with military construction. Enhanced use leasing opportunities will be explored with remaining excess facilities.

Enhanced Use Leasing

Leasing has long been a useful component of the Army’s approach to reducing base operating costs so installations can focus on their core competencies and mission readiness. Over the past 40 years the Army used its leasing authority in the limited fashion dictated by law. In a bold move to improve business processes the DoD drafted new language that revamped the leasing process to make it more flexible

giving a greater share of leasing proceeds directly back to the installations. The Army is now taking advantage of this new legislation.

One current example is at Fort Sam Houston. In June 2001, the Army signed a lease with a private company to rent and renovate historic Brooke Medical Center. This lease is estimated to provide the Army with over \$250 million in rent revenue over the next 50 years while preserving a significant historic building.

Enhanced use leasing will assist in reducing infrastructure costs, provide much needed new facilities, and upgrade existing services as well as adding new ones. Installations can potentially find additional funds resulting from lease revenues that may be used for readiness, modernization, and quality of life initiatives. Enhanced use leasing will directly impact installations readiness by improving efficiency and effectiveness.

Morale, Welfare, and Recreation (MWR) Public Private Ventures (PPV)

The Public-Private Venture program is the Army's alternate means of delivering MWR facilities and services. It is a commander's program to assist in providing MWR services to Soldiers and families. Commanders can maximize underutilized real estate and leverage these assets to benefit the overall MWR mission on the installation. Through PPV partnerships, commanders can deliver state of the art facilities to meet the needs of today's Soldiers while maintaining focus on the core installation mission. The U.S. Army Community and Family

Support Center (USACFSC) is the designated agency that negotiates and awards PPV contracts for all MWR projects. The PPV program objective entails pursuing private developers to finance, design, construct, operate, and maintain MWR facilities over the life of the land lease. There is no non-appropriated fund (NAF) or appropriated fund (APF) capital outlay needed for PPV construction projects, and no APF requirement for maintenance and repair. Installations negotiate with the private partner on profit sharing to receive a supplemental revenue stream geared to support other MWR services and programs for Soldiers and their families.

Five PPV contracts have been awarded resulting in a NAF capital avoidance of approximately \$32.2 million. To date, the PPV projects have infused over \$65,000 into the installation MWR fund.

The Army's goal is to pursue developers for 11 other ongoing PPVs with an estimated NAF capital avoidance of approximately \$53 million.

Army-Wide

The preceding installation initiatives support overall Army readiness by ensuring the people, units and installations are more efficient and effective. At the Army level Efficient Facilities Initiatives, Army Environmental Stewardship, and Competitive Sourcing seek to increase the Army's readiness through savings of operations and maintenance costs. Each addresses our command-level responsibilities to the environment, our Soldiers, and their families. These initiatives support readiness by ensuring that Soldiers and

installations can focus on their primary duties and responsibilities to train and provide support.

Base Realignment and Closure (BRAC)

Base Realignment and Closure (BRAC) is an integral part of the Army's ability to reshape infrastructure to match changing missions and requirements to support readiness and mobilization requirements.

Congress authorized a new round of BRAC in FY05. This provides the opportunity to co-locate Army organizations, improve efficiencies and generate significant savings to improve the overall level of Army readiness.

The Army, with an aggregate excess capacity currently estimated at 20-25%, would benefit by further reshaping its overall infrastructure. Prudent management requires disposing of infrastructure that is excess to the Army's needs.

Army Environmental Stewardship

Army Environmental Stewardship is driven by support for readiness and sustainability, and not merely compliance with environmental laws and regulations.

The Army's highest priority is to maintain readiness. Sound environmental stewardship enables the Army to train as we fight. Conservation of natural resources on installations ensures continued access to training and testing lands. Effective management of hazardous materials and the protection of

air, land, and water resources prevent fines and delays that constrain installation management.

Sustaining installations requires new policies and priorities. The Army is developing policies for managing unexploded ordnance (UXO) on Army ranges to ensure their use indefinitely. Socio-environmental issues such as noise are now being cast under the rubric of sustainability and encroachment. In such direct support of installation missions these issues are getting higher visibility and priority.

Modernization is a continuous process essential to maintaining the Army's ability to respond to America's security needs now and in the future. The Army is taking the opportunity to minimize life cycle costs through systematic planning and design, pollution prevention, and environmentally sustainable acquisition processes. When determining requirements, equipment and material life cycle management is essential to achieve environmental success.

Environmental analyses are and will be prepared at several levels to support Transformation. The purpose of these analyses is to ensure the Army makes the best decisions with regard to current and future environmental risks and costs.

Competitive Sourcing

Continued success in modernizing and transforming the Army requires our support infrastructure to be as agile, efficient and effective as our warfighters. When applicable competitive sourcing of installation services, and maintenance

and repair activities offers the potential for improved performance, increased responsiveness to commanders and Soldiers, better access to new technology, and lower costs. It enables the Army to make the best use of available resources to meet national security objectives and focus on mission requirements.

The Army has performed public-private competitions in accordance with OMB Circular A-76 of significant portions of installation services, facilities maintenance and repair activities, and information management functions. Since FY97 this initiative has saved the Army \$146.9 million on 8,749 spaces studied. This allows us to efficiently focus on core competencies and mission requirements and improves our overall readiness.

The Army continues to depend upon the success of the OMB A-76 program to find efficiencies for funding readiness and modernization.

Summary/Conclusion

Army installations will transform and modernize with the Army. Installations will modernize and operate in concert with the

development of the Interim and, Objective Force while still supporting the Legacy Force. The Army initiatives discussed above address people, units and installations, and the Army as a whole. They support modernization and Transformation on Army installations and prepare us for a future marked by an ever uncertain and changing strategic environment.

These initiatives, as well as previous modernization actions on Army installations, will allow us to effectively transform the Army. As new concepts and doctrine continue to emerge, existing programs will transform to support the Army and new programs will be developed to better support modernization.

We must focus on the changes necessary to adapt our installations to new missions, new technologies, and new living and working environments. The many challenges the Army faces in the 21st Century require bold and innovative solutions. The Army is dedicated to meeting these challenges by providing quality, mission ready, installations for our Soldiers to live, work, and train.